

Near the Breaking Point: Mental Health in Small Business

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CFIB

**CANADIAN FEDERATION
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Near the Breaking Point: Mental Health in Small Business

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Thank you for taking the time to read our report and better understand the current state of mental health and wellness for small business owners and their employees.

If you have any questions or personal concerns regarding your own mental health, please reach out to one of the provincial helplines available at the end of this report.

Executive Summary

Small firms make up 98% of employer businesses across Canada.¹ There are many initiatives in place to support entrepreneurship, ranging from specialized financing, training, and government programs designed to encourage the development and growth of small and medium-sized enterprises (SMEs). However, in contrast to efforts in larger companies, there have been few policy conversations around the emerging priority of the mental health of the people who own and/or work in smaller firms.

Creating a workplace that promotes mental health and well-being has many benefits. In fact, SMEs are well placed to create an environment where employees feel appreciated, valued, and included—making it easier to address such taboo topics as *mental health and well-being*.

The global pandemic has amplified many concerns of small business owners over the past two years. Since mid-April 2020, CFIB has been collecting data on the most significant worries of small business owners with respect to COVID-19. Overwhelming stress has been chief among their concerns throughout the pandemic, most recently being cited by forty-five per cent of respondents. For small business owners, stress becomes overwhelming when the demands of running a business exceed the capacity to manage them. While stress, by definition, is not a mental illness like anxiety or depression, stressors increase the risk of developing a mental health condition.

Recent research has highlighted an increase in symptoms of anxiety and depression among Canadians during the pandemic.^{2,3,4} The mental health of their workforce is under strain and many people with symptoms are not connecting to mental health services.

CFIB's *Small Business Workplace Mental Health Employer Survey* provides the baseline for this report and has been supplemented with more recent CFIB surveys on the impacts of COVID-19.^{5,6} One-third of employers are aware of employees who have faced a mental health issue during the COVID-19 crisis and, strikingly, only thirty-one per cent feel either prepared or well prepared in addressing the mental health issues of their employees. More than half responded they felt not very well prepared or not prepared at all.

¹ Statistics Canada. [Table 33-10-0493-01 Canadian Business Counts, with employees, December 2021](#)

² Deloitte, *Uncovering the hidden iceberg: Why the human impact of COVID-19 could be a third crisis*, August 2020, <https://www2.deloitte.com/content/dam/Deloitte/ca/Documents/about-deloitte/ca-covid19-human-impact-pov-en-aoda.pdf>

³ MHCC, CCSA and Leger, *Mental Health and Substance Use During COVID-19: 12-Month Leger Poll October 2020-2021*: <https://mentalhealthcommission.ca/leger-poll-the-relationship-between-mental-health-and-substance-use-during-covid-19/>

⁴ UBC Faculty of Medicine, *New national survey finds Canadians' mental health eroding as pandemic continues*, December 2020. <https://www.med.ubc.ca/news/new-national-survey-finds-canadians-mental-health-eroding-as-pandemic-continues/>

⁵ Small Business Workplace Mental Health Employer Survey, 1,318 responses, June 2018.

⁶ CFIB, *Your Business and COVID-19 – Survey Number 22*, October 2020 n=3,983

Additional CFIB research, conducted in cooperation with the Canadian Mental Health Commission, shows a significant proportion of employers and employees working in small businesses generally feel comfortable openly discussing their mental health and well-being.⁷ As a result, many small business owners feel that they are already providing support to their employees through flexible scheduling, a good work-life balance, and a positive work environment. However, being able to recognize the signs and symptoms of a colleague's mental health condition remains difficult. Considering the research and increasing stress among small business owners due to COVID-19, mental health is quickly becoming a more serious and emergent issue.

There is a growing awareness of creating mentally healthy workplaces, but SMEs are often overlooked for resources and programs tailored to their businesses. Many initiatives are aimed at larger organizations, so they are often not as applicable in smaller settings. Additional training and information are needed so that SME employers and employees are better equipped to deal with mental health issues as they surface in the workplace.

Introduction

Today most people spend approximately 60% of their waking hours at work and there is a strong reciprocal relationship between work and a person's mental health.⁸ Despite the fact that Canadian small businesses employed 68.8% of the total private sector workforce (8.4 million individuals) as of 2019, there is very little information on the state of mental health and well-being of those who work for a small- and medium-sized enterprise (SME).⁹

Mental health and well-being can have a big impact on small businesses if not addressed — it can affect productivity, increase levels of absenteeism, create high turnover among staff, increase the number of compensation claims, etc. In fact, according to the Mental Health Commission of Canada (MHCC), one out of every four employees is affected by a mental health problem every year.¹⁰ Mental health problems or illnesses are complex and do not stem solely from the workplace. Mental illness costs Canadian businesses and the economy more than \$50 billion every year and it is quickly becoming the fastest growing category of disability costs.¹¹ Although awareness of the importance of mental health and well-being in the workplace has been on the rise, especially during the COVID-19 crisis, many of the programs and initiatives that currently exist work best for larger companies and organizations. For example, many programs require dedicated human resource departments or personnel to manage the drafting of formal workplace wellness programs, the implementation of a mental health committee or investing in employee assistance programs (EAP), leaving smaller business owners with very few options. Given these issues, it is no surprise small businesses owners do not feel adequately prepared to address workplace mental health issues as they arise.

⁷ Ipsos, Small Business Workplace Mental Health Employee Survey, 1,001 responses, June 2018

⁸ Black, C. (2008). Working for a Healthier Tomorrow: Dame Carol Black's Review of the Health of Britain's Working Age Population: Presented to the Secretary of State for Health and the Secretary of State for Work Pensions. London: TSO.

⁹ Innovation, Science and Economic Development Canada, [Key Small Business Statistics](#), December 2019.

¹⁰ MHCC, Opening Minds: Interim Report, p.5. <https://mentalhealthcommission.ca/resource/opening-minds-interim-report/>

¹¹ Mental Health Commission of Canada. Making the Case for Investing in Mental Health in Canada. (2013). <https://mentalhealthcommission.ca/resource/making-the-case-for-investing-in-mental-health-in-canada/>

To help address this, the Canadian Federation of Independent Business (CFIB) conducted surveys in 2018 and asked questions again in 2020 and 2021, to better understand the unique challenges faced by small business owners and their employees when it comes to mental health and well-being in the workplace. This report focuses on small businesses with fewer than 20 employees and the perceptions, attitudes, and behaviours towards workplace mental health and well-being within those small businesses, as well as the most critical issues/gaps that small business owners have in supporting the mental health of their employees. For the purpose of this research, we have defined mental health as “a state of well-being in which one can cope with the normal stresses of life, can work productively, and contribute to the workplace, and can contribute to the community.” Our definition of a mental health problem or illness is very broad and includes *excessive stress; anxiety; depression; burnout; substance use and addiction; and mania, bipolar, and schizophrenia disorders, among others*. Lingering impacts of pandemic stressors on Mental Health

Lingering impacts of pandemic stressors on Mental Health

Recent research has highlighted an increase in symptoms of anxiety and depression among Canadians during the pandemic. In August 2020, an estimated 1 in 3 Canadians reported experiencing depression and anxiety related to COVID-19 in a report from Deloitte.¹² Further research conducted by the University of British Columbia (UBC) and the Canadian Mental Health Association (CMHA) during the early days of the pandemic showed an increase in suicidal thoughts and feelings (10% up from 2.5% spring 2020).¹³ This is a worrying concern for all Canadians with an increase in stressors for small business owners as well as their employees. Employers should assume that the mental health of their workforce is under strain.

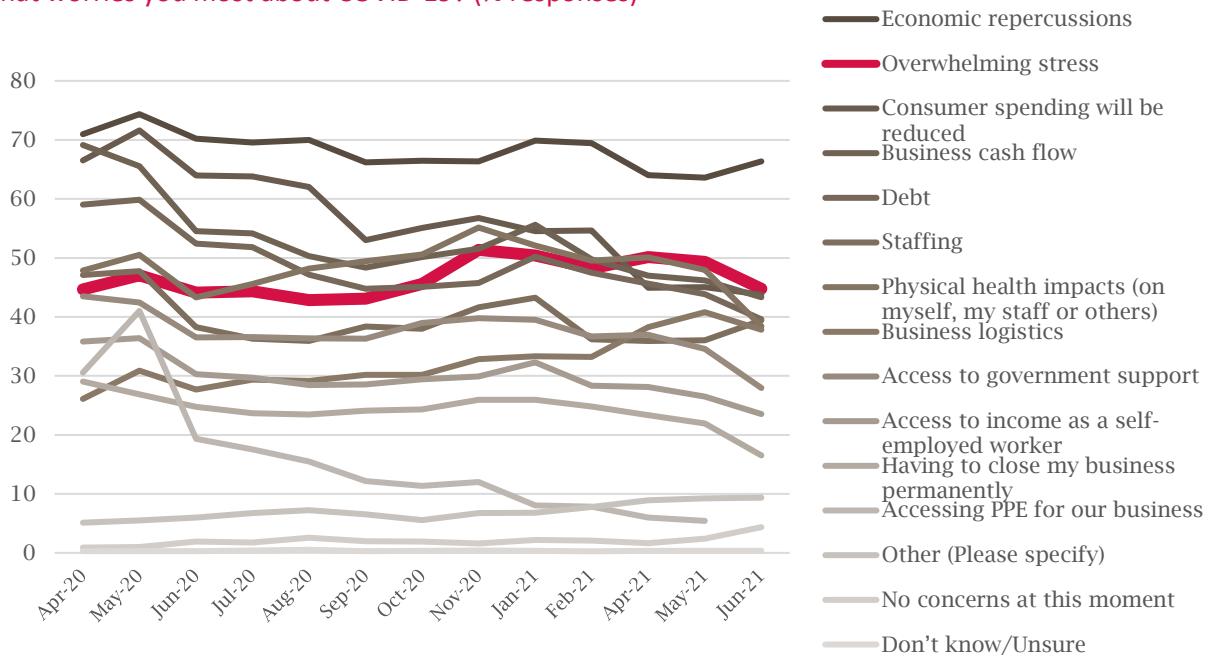
Along with meeting payroll, paying suppliers, rent or mortgage, and other bills, reduced consumer spending, debt, staffing issues (layoffs, retention, and refusal to work) and other worries – forty-five per cent of respondents to CFIB surveys consistently noted **overwhelming stress** among their top concerns. It has continued to be a chief concern throughout the pandemic.

¹² Deloitte, Uncovering the hidden iceberg: Why the human impact of COVID-19 could be a third crisis, August 2020, <https://www2.deloitte.com/content/dam/Deloitte/ca/Documents/about-deloitte/ca-covid19-human-impact-pov-en-aoda.pdf>

¹³ UBC Faculty of Medicine, New national survey finds Canadians’ mental health eroding as pandemic continues, December 2020. <https://www.med.ubc.ca/news/new-national-survey-finds-canadians-mental-health-eroding-as-pandemic-continues/>

Figure 1

What worries you most about COVID-19? (% responses)



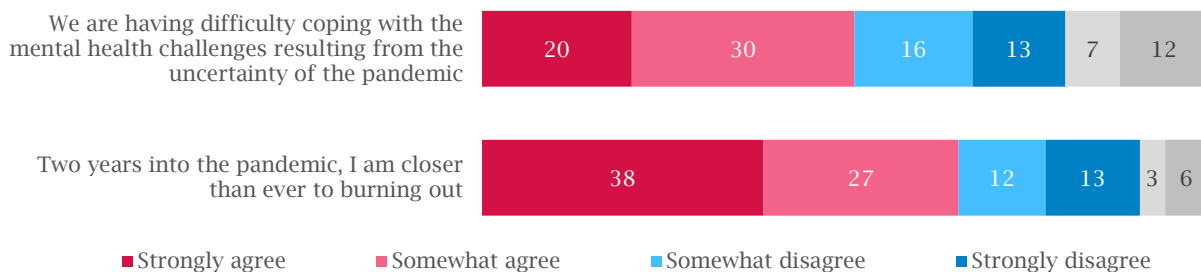
Source: CFIB, Your Voice Survey (April 2020 – June 2021) Base: varies ~4000 per survey. Notes: Respondents were asked to select all that apply. Categories with fewer than 10% selected in the most recent wave are hidden.

While stress, by definition, is not a mental illness like anxiety or depression, stressors increase the risk of developing a mental health condition. For small business owners, the demands of running a business can sometimes exceed their capacity to manage them – leading to stress and potentially burn out. After two years of COVID-19 related stress, almost two-thirds (65% as in Figure 2) of small business owners indicate they are closer than ever to burning out.¹⁴ Those who are closest to burning out (38% strongly agree) are those whose businesses are continuing to struggle – fewer of them are fully open (61%), fewer have returned to normal staffing levels (33%) and fewer have returned to normal revenues (21%) compared to their less-stressed counterparts (72%, 46%, and 34% respectively). Additionally, three-quarters (75%) of small business owners closest to burning out were more likely to be aware of a staff member who has been struggling with mental health issues compared to half of all small business owners (50%). This is creating greater pressures on both the employers and employees, as well as their families. Canada’s hardest hit businesses are not just struggling financially but also facing hurdles from a mental health perspective.

¹⁴ CFIB, Your Voice Survey – February 2022, February 9 – 25, (n=3225).

Figure 2

Experiences with mental health in the workplace due to the pandemic



Source: CFIB, *Your Voice Survey - February 2022, February 9 - 25, (n=3225)*. CFIB Members have been sharing their struggles with stress and anxiety throughout the pandemic. We have included a few examples of their issues in their own words below, to underscore the impact that uncertainty and stress have had on them.

As a small business owner, our future is unknown. Our resources are limited and any loans we have received we probably can't pay back in due time. We are stressed and overwhelmed which has greatly affected the morale in our business and also the energy and time we spend in our business being hopeful. We are exhausted at the thought that we may have to close after years put into the opening and establishing of our business.

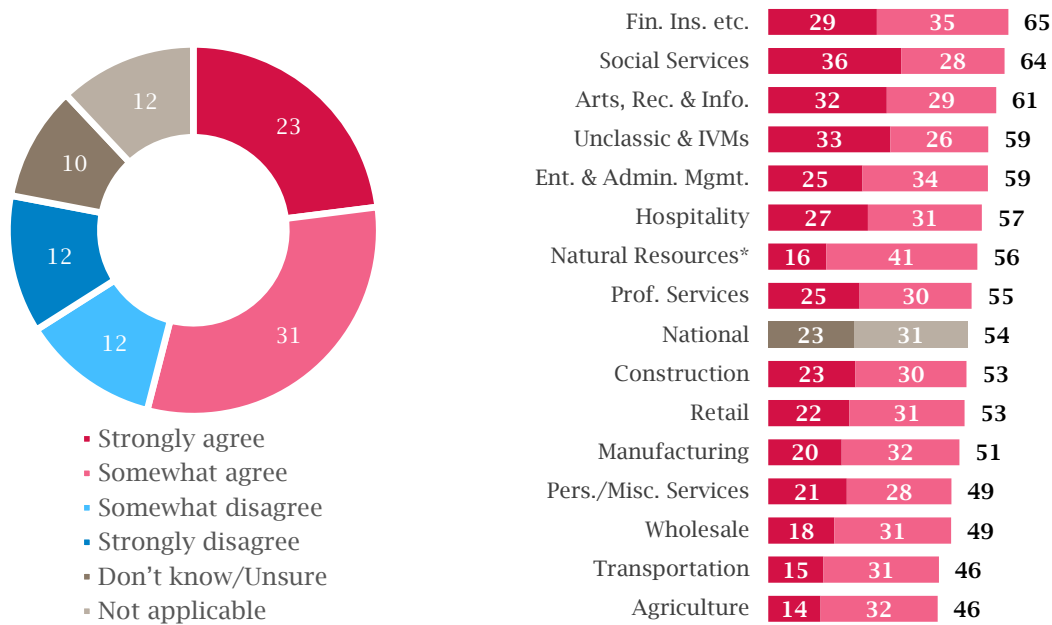
—Retail, Business Owner, Ontario

In February, we asked small business owners to reflect on the impact of the COVID-19 pandemic on discussions of mental health in their workplaces. Half of the small businesses (54%) suspect that the mental health challenges resulting from the pandemic are having a negative impact on their business's productivity. The businesses that suspect the largest hit to their productivity are in Finances & Insurance (65%), Social services (64%) and Arts, Rec, and information (61%). (Figure 3). Well established businesses and those with the smallest number of employees were least likely to have a suspected negative impact on productivity.¹⁵

¹⁵ CFIB Your Voice Survey February 2022 – Feb 9 to 25 (n=3,261) – Productivity by business tenure: 51% for 11+ years in business compared to 60% for those with one year or less in business; Productivity by number of employees: 48% for 0 to 4 employees, 55% for 5 to 19 employees compared to 62% for those with 50 or more employees.

Figure 3

We suspect that the mental health challenges resulting from the pandemic are having a negative impact on our business’s productivity (% responses)



CFIB, Your Voice Survey – February 2022, Feb 9 – 25 (n=3,261)

Mental health during the pandemic has had an impact beyond the workplace. Research from the Mental Health Commission of Canada (MHCC) and the Canadian Centre on Substance Use and Addiction (CCSA) established an amplified link between increased substance use and mental health, including increased use and problematic use of alcohol and cannabis.¹⁶ Identifying the signs of mental health decline and opportunities to provide support in the workplace to lessen the impacts remains important across all sizes of businesses and communities. While small business owners are not healthcare professionals, they may worry about their staff and the impact on their business when they see signs of substance abuse and mental health issues within a small team – appropriate supports need to be provided tailored to the small business context.

Working for a Small Business

There are other ways that small businesses – owners and employees – contribute to the mental health and wellbeing of their workplaces. Although working for a small business has the potential to create some stress and anxiety—it’s a place where no two days are exactly the same, where employers and employees often play several

¹⁶ MHCC, CCSA and Leger, Mental Health and Substance Use During COVID-19: 12-Month Leger Poll October 2020-2021: <https://mentalhealthcommission.ca/leger-poll-the-relationship-between-mental-health-and-substance-use-during-covid-19/> / https://mentalhealthcommission.ca/wp-content/uploads/2021/09/mhcc_ccsa_covid_leger_poll_eng.pdf

different roles, and where unpredictable things can happen on any given day. Small business owners do recognize the importance of creating healthy and positive work environments.

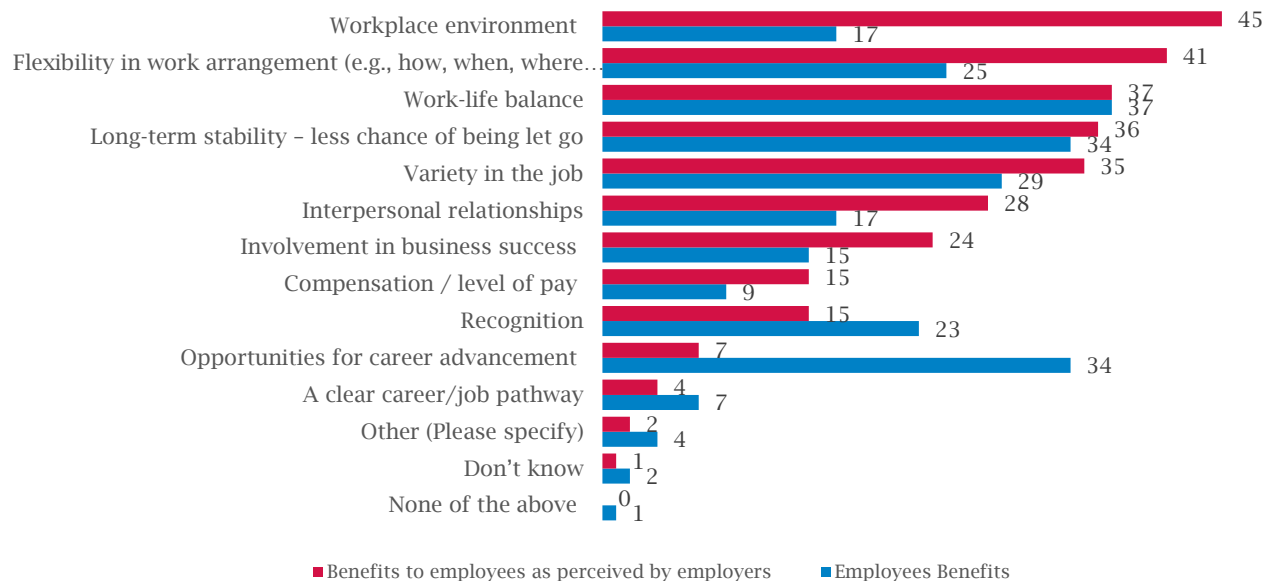
To better understand some key contributing factors to creating mentally healthy workplaces, we asked both employees and employers what they felt were some of the main benefits of working for a small business (Figure 4). Business owners perceive the workplace environment (45%) as the main benefit of working for a small business, but close behind were flexibility (41%), work-life balance (37%), long-term stability (36%), and variety in the job (35%). Similarly, when employees were asked about the benefits of working for a small business, nearly four in 10 (37%) cite the work-life balance, followed by one in three who mention flexibility (34%) or the workplace environment (34%).

My priority is to grow my business in a profitable manner. This involves providing an atmosphere that attracts and keeps productive employees. I learned early on that being aware of my employees' "health" is vital to maintaining the health of the overall business.

—Finance, Insurance, Real Estate & Leasing, Business Owner, Ontario

Figure 4

Working for a small business comes with its own sets of rewards and challenges. What are the main benefits? (% responses)



Source: CFIB, *Small Business Workplace Mental Health Employer Survey*, 1,318 responses, June 2018. Ipsos, *Small Business Workplace Mental Health Employee Survey*, 1,001 responses, June 2018. Notes: Respondents were asked to select up to three answers.

As depicted in Figure 4, both employers and employees cite compensation, recognition, a clear career path, and opportunity for career advancements as some of the challenges of working for a small business. Despite these challenges, small businesses tend to be more flexible as they're less bound by internal hierarchies/structures, and therefore are more able to quickly respond to shifting circumstances. In fact, many small businesses create environments where employees can feel appreciated, valued, and even feel part of the family — making it easier to address such taboo topics as mental health and illness.

Addressing Mental Health in the Workplace

Since mental health problems affect people in different ways, often, the only way to know whether someone has been diagnosed or is struggling with a mental illness is if they tell you. Having to openly talk about mental health issues at work can be challenging for many, as there is often a concern that people will be judged or could be held back professionally. However, in comparison to larger organizations, it is often easier for small business employers to approach their employees to openly discuss any personal issues that may be occurring. Creating a comfortable environment for talking about mental health is an important step in helping to identify when an employee or co-worker might be struggling.

Openness about mental health in the workplace

Seven in 10 business owners (68%) feel comfortable talking to their employees about their mental health, while one in four (25%) feel uncomfortable doing so. It is similar among employees, with six in 10 employees saying they are comfortable talking to their manager about their mental health (58%), while one in three are not comfortable (35%) (Figure 5). Interestingly, employees in firms with 2 to 9 employees are more likely to say they are comfortable with this compared to those in firms of 10 to 20 employees.

Figure 5

How comfortable are you with talking about mental health in the workplace? (% of response)



Source: CFIB, *Small Business Workplace Mental Health Employer Survey*, 1,318 responses, June 2018. Ipsos, *Small Business Workplace Mental Health Employee Survey*, 1,001 responses, June 2018.

Notes: Respondents were asked to select one answer only.

When broken down by sector, employers generally felt comfortable talking about mental health in any workplace setting, whereas employees working in social services reported the highest level of comfort (74%), with the lowest being in manufacturing (49%) and wholesale (48%) (Figure 6). Female employers (79%) were much more likely to feel comfortable talking about mental health in the workplace than male employers (65%), however, male and female employees showed no corresponding difference.¹⁷

¹⁷ CFIB, *Small Business Workplace Mental Health Employer Survey*, 1,318 responses, June 2018. Ipsos, *Small Business Workplace Mental Health Employee Survey*, 1,001 responses, June 2018.

Figure 6

How comfortable are you with talking about mental health in the workplace by sector? (% of response)



Source: CFIB, Small Business Workplace Mental Health Employer Survey, 1,318 responses, June 2018. Ipsos, Small Business Workplace Mental Health Employee Survey, 1,001 responses, June 2018. Notes: Respondents were asked to select one answer only.

How prepared are small businesses to address mental health issues?

Despite the fact that the small business sector in Canada is the most common work environment, many employers and employees don't feel adequately prepared to address mental health issues. While being able to have an open dialogue about mental health and well-being issues with managers and colleagues is much easier in a small business environment, being able to recognize the signs and symptoms of when a colleague might be experiencing a mental health condition is a difficult task, especially when people don't know what they're looking for. This sense of comfort in discussing mental health can come from many sources, however, preparation and knowledge are key components in building that level of comfort.

When asked how prepared employers felt to address mental health issues of their employees, fewer than one-third of employers (31%) felt well or very well prepared while more than half felt either unprepared or very unprepared (Figure 7). This was a decrease from closer to half of employers feeling prepared (46%) prior to the pandemic. This could be linked to the light shed on mental health in the wake of the start of the pandemic, an increase in awareness of the potential severity of mental health issues. Half of small businesses are having difficulty coping with mental health challenges resulting from the uncertainty of the pandemic (50%) and almost two-thirds of small business owners are closer than ever to burning out (66%).¹⁸ In addition to being of utmost concern for them personally, it also might result in a reduced ability to take on a supportive role for others.

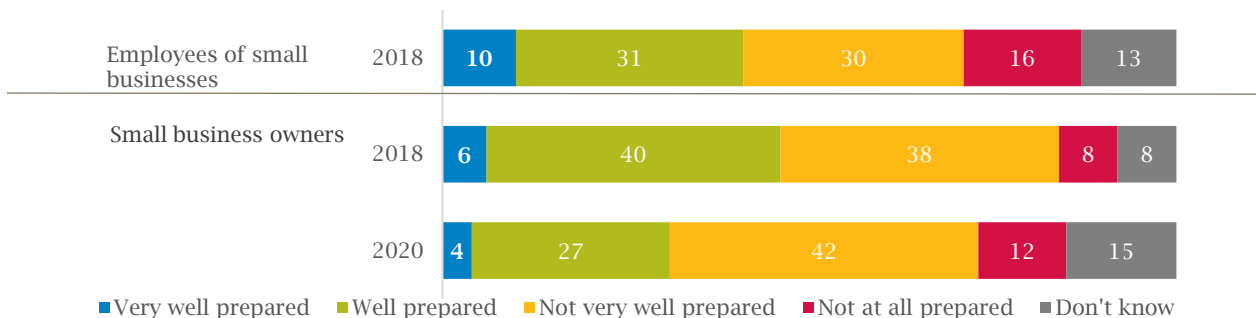
In our 2018 research, almost two-thirds (63%) of female respondents noted they felt more prepared to address mental health issues compared to less than half of their male counterparts (47%). Four in 10 employees (41%)

¹⁸ CFIB, Your Voice Survey – February 2022 - Feb. 9 - Feb. 25, 2022 (n=4,001)

believe that their workplace is prepared to address mental health issues, which is slightly outweighed by those who say their workplace is not prepared (46%).

Figure 7

How prepared do you feel your workplace is in addressing the mental health issues of its employees? (% of response)



Source: CFIB, Small Business Workplace Mental Health Employer Survey, 1,420 responses, June 2018. COVID-19 recovery survey – October 2020 n= 3,983. Ipsos, Small Business Workplace Mental Health Employee Survey, 1,001 responses, June 2018.

Although a large portion of employers and employees do not feel prepared to address mental health issues in the workplace, many small business employers understand the importance of getting support and help as early as possible to mitigate the risk of an illness becoming more serious. Many felt that they already provided some support to improve the mental health and well-being of their employees.

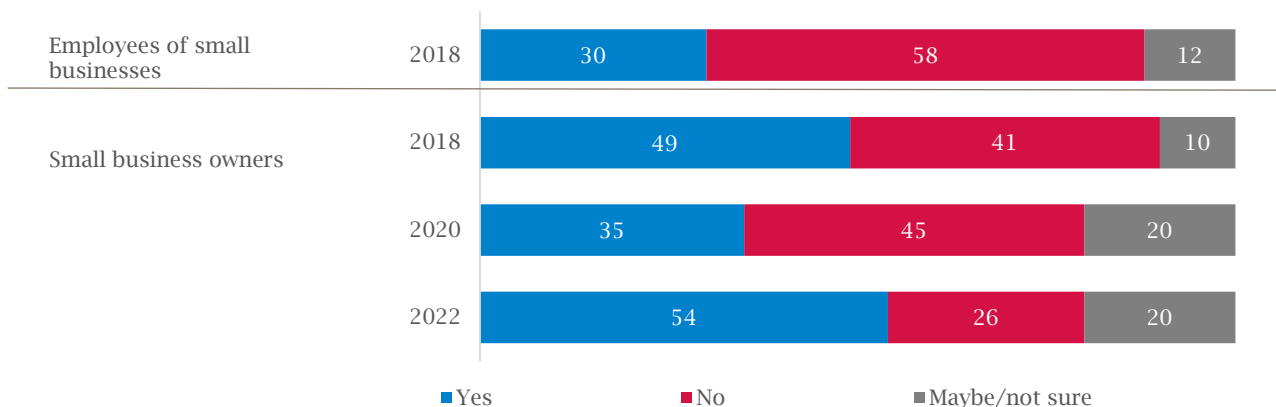
Awareness of mental health

While working with a small team can certainly have its advantages, there still might not be any good opportunities to regularly check in with staff. Additionally, in a small business environment, where employers might have close ties to their employees, recognizing or being aware of when staff is experiencing a mental health condition can be difficult.

When asked in 2022, half (54%) were aware of whether their employee(s) faced a mental health issue since the start of the COVID-19 pandemic, whereas 20% were unsure (Figure 8). Mental health researchers have seen an increase in symptoms of anxiety and depression, and after two years of the pandemic, these impacts are being seen in workplaces. In the first year of the pandemic, fewer employers reported that they were aware of any of their employees facing mental health issues in October 2020 (35%) compared to 2018 (49%). This coupled with an increase in the proportion that are unsure (20% vs 10% in 2018); may be due to the changing work situations and increased pressure on employers in trying to operate their businesses during the pandemic. However, it returned to a higher level of awareness by 2022, likely as workplaces adjusted to the new realities of business and as three in five (62%) indicated, discussions about mental health and well-being increased within their workplaces.

Figure 8

Are you aware of any employee(s) who have faced a mental health issue over the past year? / since the start of the COVID-19 pandemic? (% responses)



Source: CFIB, Small Business Workplace Mental Health Employer Survey, 1,420 responses, June 2018. Ipsos, Small Business Workplace Mental Health Employee Survey, 1,001 responses, June 2018. COVID-19 recovery survey – October 2020 n= 3,983. CFIB, Your Voice Survey – February 2022, Feb 9 – 25 (n=3,120)

Notes: Respondents were asked to select one answer only.

In the 2018 study, business owners who reported feeling more comfortable talking to their employee(s) about mental health were more likely to say they were aware of employee(s) who faced mental health issue(s), compared to those that were uncomfortable (58% vs. 35%). Additionally, female employers (63%) were more likely to report their employee(s) experienced mental health issues compared to their male respondents (47%). Finding a way to build the comfort level to have these discussions is important on both sides of the employer/employee relationship. This can be improved through preparation and understanding as well as reflection on personal experiences.

Being a family-owned and operated business, we discuss any issues that arise, when they arise. As employers, we encourage discussion on various ways of dealing with stressful situations in and out of the workplace.

—Personal, Misc. Services, Business Owner, Ontario

In 2018, three in 10 (30%) employees were aware of whether colleagues faced a mental health issue over the past year (Figure 3). Interestingly, employees in firms with 10 to 20 employees were more likely than those with 2 to 9 employees to say they were aware of employee(s) who faced a mental health issue over the past year. While this may be a result of just having more employees, those in these larger firms were also less likely to say they were comfortable talking to their manager about their mental health, and less likely to feel their workplace was prepared to deal with addressing the mental health issues of its employees.

Support in the workplace

While compensation, limited career advancement, and long-term stability are perceived as being some of the biggest challenges for employees working for SMEs (figure 4), small business owners understand the importance of creating a healthy workplace environment. In fact, many small business owners perceive their workplace as

supportive of helping staff manage mental health issues by offering flexible scheduling, a good work-life balance, and a positive work environment.

We offer a good health benefit plan, as well as great flexibility for hours and time off. We have always been able to accommodate physical and mental health issues with our staff by providing as much time off of work as necessary for appointments, family issues, health issues, etc., with no penalty in pay.

—Social Services, Business Owner, British-Columbia

In terms of support options in the workplace, a majority (70%) of respondents say they support the mental health and well-being of their employees through flexible hours/schedules. One in three (35%) say they provide benefit plans to their employees. Also provided by about one in 10 were an employee staff room, compassionate/empathetic management, and a good work atmosphere/environment. Very few (5%) indicate that they provide no support for mental health and well-being in their workplace (Figure 9).

Figure 9

In what ways, if any, does your business support the mental health and well-being of its employees? (% responses)



Source: CFIB, *Small Business Workplace Mental Health Employer Survey*, 1,420 responses, June 2018.

Notes: Respondents were asked to select as many as apply.

Mental Health Resources

Creating a workplace that promotes mental health and well-being has a number of benefits, but most small business owners don't know what else they can do to provide additional support. In fact, many small businesses have limited resources and capacity to be able to adequately address mental health issues in the workplace. In

most cases, small businesses cannot afford to provide on-site health promotion programs or services like larger organizations can.

Mental health is a great talking point, but the sad reality is that mental health resources are simply NOT available or are available at such a high cost as to be effectively not available. Psychiatrists and psychologists are very busy and very expensive, and the latter is NOT covered by provincial health plans. Getting a referral to a psychiatrist is extremely difficult and has long delays.

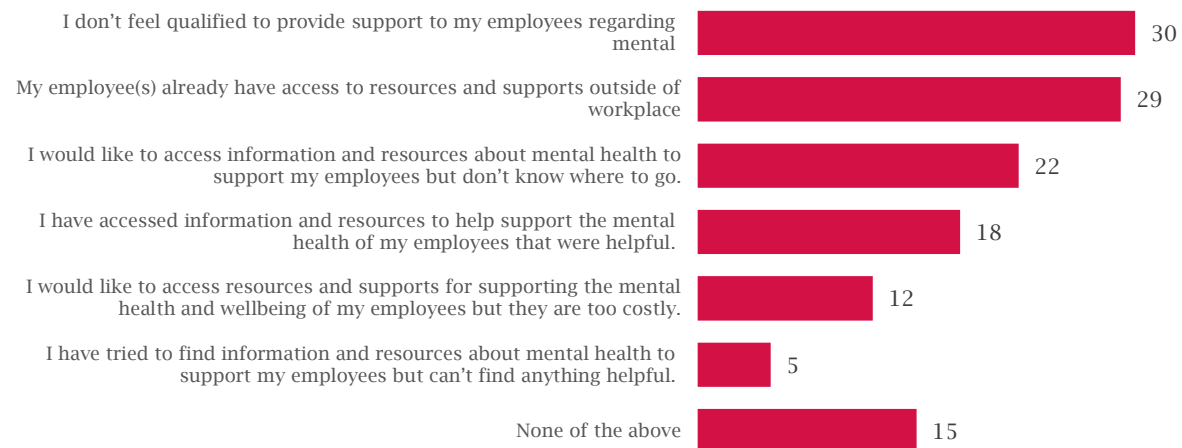
—Manufacturing, Business Owner, Ontario

When it comes to recognizing when someone is struggling with a mental health condition, three in 10 (30%) small business owners say they don't feel qualified to provide support to their employees, while a similar proportion (29%) say their employee(s) already have access to resources and supports outside of the workplace. Other respondents would like to gain access to information and resources, but 22% don't know where to go, and 12% say they are too costly. Less than two in 10 (18%) small business owners have successfully accessed helpful information and resources (Figure 10). Male respondents are more likely to feel unqualified compared to female respondents (34% vs. 17%). This highlights the need to continue to build both capacity and comfort with mental health in the workplace.

Figure 10

Which of the following describes you? (% responses)

Business Owner



Source: CFIB, *Small Business Workplace Mental Health Survey*, 1,318 responses, June 2018.

Notes: Respondents were asked to select as many as apply.

Most employees (61%) generally feel like they're able to manage their own mental health and don't need information or resources, while 15% say they have accessed information/resources about mental health that were helpful. One in 10 say they would like to access information/resources, but don't know where to go (12%) (Figure

11). This number is significantly higher among 18–34-year-olds (23%), and those in firms with 5 or more employees (16%).

Figure 11

Which of the following describes you? (% responses)

Employees



Source: Ipsos, *Small Business Workplace Mental Health Employee Survey*, 1,001 responses, June 2018.

Notes: Respondents were asked to select as many as apply.

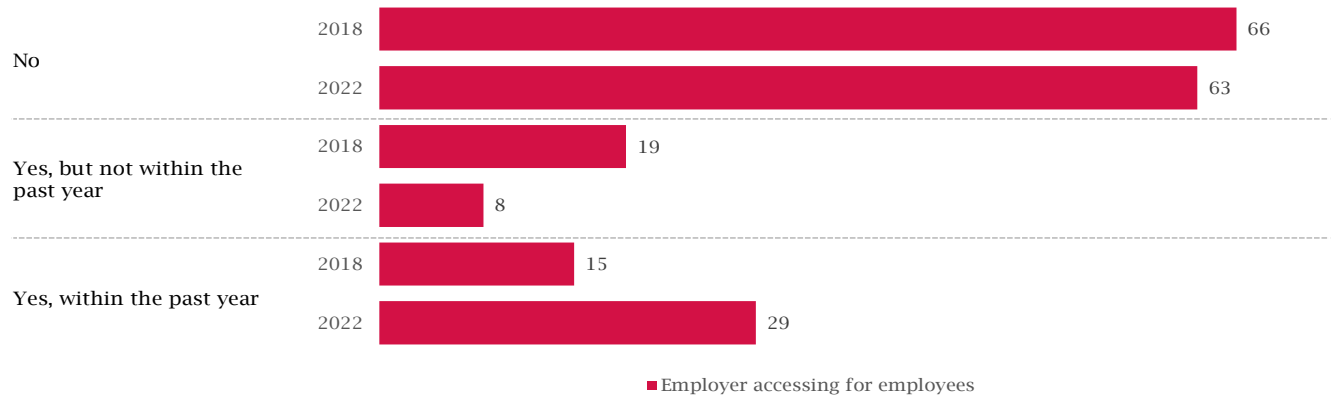
Where to access information and resources?

While there is a growing awareness of the need to build mentally healthy workplaces, small businesses are often overlooked when it comes to resources and programs tailored for their businesses. In fact, many of the initiatives that have been developed work well in larger organizations, but they are often not transferable to smaller workplace settings. Small business owners are left to deal with mental health and workplace wellness matters on their own, but they often don't have a human resource department or personnel to assist with the implementation of a formalized program, they don't have the capacity or resources to implement a wellness committee or can't invest in employee assistance programs (EAP). Additionally, small businesses are often seen as one type of industry, but in reality, are quite diverse (e.g., construction, retail, agriculture, manufacturing, social services, etc.) and are faced with very different challenges when it comes to workplace wellness.

Prior to the pandemic, one in three (34%) small business owners had tried accessing information or resources to support the mental health and well-being of their employees (Figure 12). In 2022, this number is similar (37%), however more employers have reported accessing information for their employees in the past year (29% in 2022 vs. 19% in 2018). Among those who have done this, the largest proportion (62%) of respondents sought out information through a general online search, whereas one in three (33%) used a local community health agency (Figure 15). Almost four in 10 (36%) employees also tried accessing information or resources for their own mental health and well-being (Figure 13). Among those that have done this, close to half cite their family doctor (47%) or a general online search (47%) as their top sources of such information (Figure 15).

Figure 12

Accessing Mental Health Information/Resources – On behalf of employees (% responses)

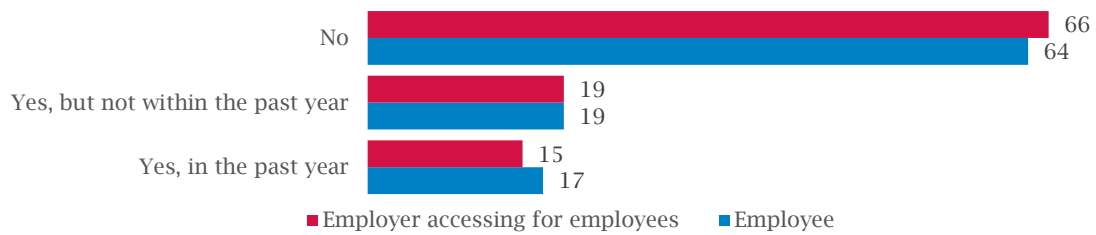


Source: CFIB, *Small Business Workplace Mental Health Employer Survey*, 1,420 responses, June 2018.

CFIB, Your Voice Survey – February 2022 – Feb 9-25 (n=3,261)

Figure 13

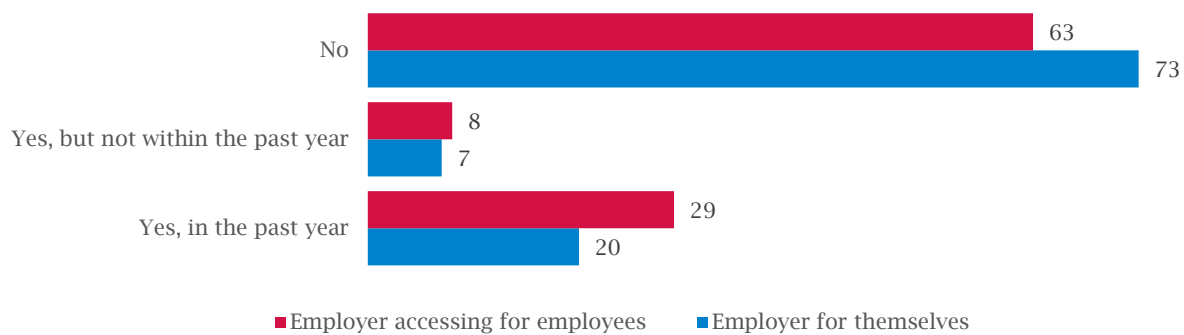
Accessing Mental Health Information/Resources before the pandemic – By employees for themselves (% responses)



Source: CFIB, *Small Business Workplace Mental Health Employer Survey*, 1,420 responses, June 2018. Ipsos, *Small Business Workplace Mental Health Employee Survey*, 1,001 responses, June 2018. Notes: Respondents were asked to select one answer only.

Figure 14

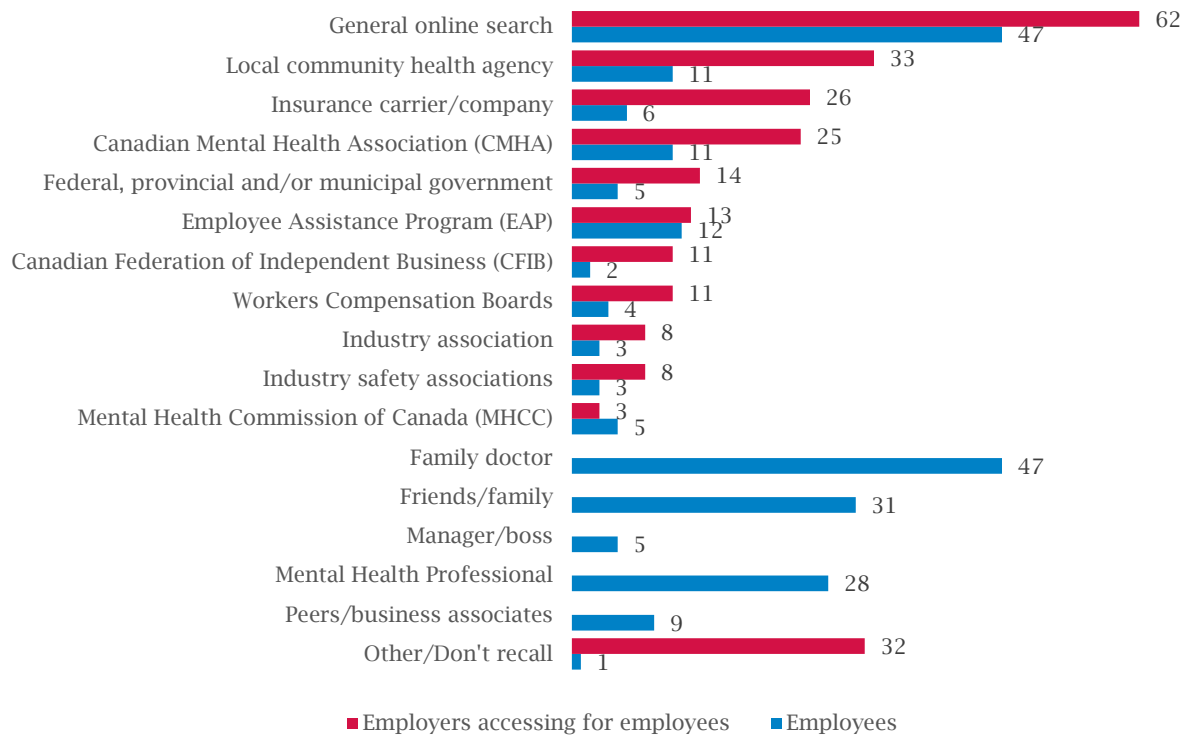
Accessing Mental Health Information/Resources during pandemic – By employers for themselves (% responses)



CFIB, Your Voice Survey – February 2022 – February 9-25 (n=3,261)

Figure 15

Where did you seek information or resources? (% responses)



Source: CFIB, *Small Business Workplace Mental Health Employer Survey*, 1,420 responses, June 2018. Ipsos, *Small Business Workplace Mental Health Employee Survey*, 1,001 responses, June 2018. Notes: Respondents were asked to select as many as apply.

Small business owners and entrepreneurs also often need mental health support themselves. The stress of running a small business can be overwhelming. In 2022, small business owners expressed they were nearing burnout levels (66%) (Figure 14) – more employers had accessed mental health information for their employees (37%) than for themselves (27%). Small business owners are near a breaking point and need support from others with experience and exposure to the types of stress they find themselves under.

I have worked 55 to 70 hours a week since the start of the pandemic often without help. I'm burning out, stressed out and tired of fighting to be profitable. We will be listing our business/property for sale in the next couple of months and finding regular jobs.

–Retail, Business Owner, Ontario

MHCC and CCSA’s research on Canadians’ mental health during the pandemic showed that just 22% of those with symptoms and 24% of those with substance abuse issues access treatment, however, one in five found it difficult

to access.¹⁹ Small businesses not only need access to more information and resources about where to go for treatment but also support in encouraging preventative mental health. While recent access to information has increased during the pandemic, three in ten (31%) small business owners have increased the availability of mental health resources and/or information for their employees since the start of the pandemic.²⁰

The pandemic definitely created an impact on everyone's mental health, especially those who had to continue working throughout the many stages of lockdowns and restrictions. We've had a couple of staff have breakdowns, and we now cover any counselling costs as well as paid leaves. As business owners, we felt the pressure to keep a safe culture in the workplace, and also encourage everyone to take care outside of work, too.

— Professional Services, Business Owner, British Columbia

Some small business owners have called for more training on how to deal with difficult customers to share with staff, as the Canadian public struggles more with mental health often service workers can feel the brunt of some of these negative perspectives.

The mental health of our employees is directly connected to the mental health of our customers and the general public. Too many consumers are offensive, impatient, abusive, and unreasonable with our staff. There comes a point where staff don't want to help as it is not acknowledged or appreciated by the customer. The time wasted by staff venting over the disgruntled customer is counterproductive and affects their mental health.

—Retail, Business Owner, Ontario

Mental health support that would be beneficial to small businesses

Virtually all small businesses feel that they already provide some mental health support to their employees and are open to providing additional support through their workplace.

Owning and operating a small business such as mine can be very stressful at times. I would like to be able to access programs to help relieve the stresses placed upon my workers and myself.

—Retail, Business Owner, Alberta

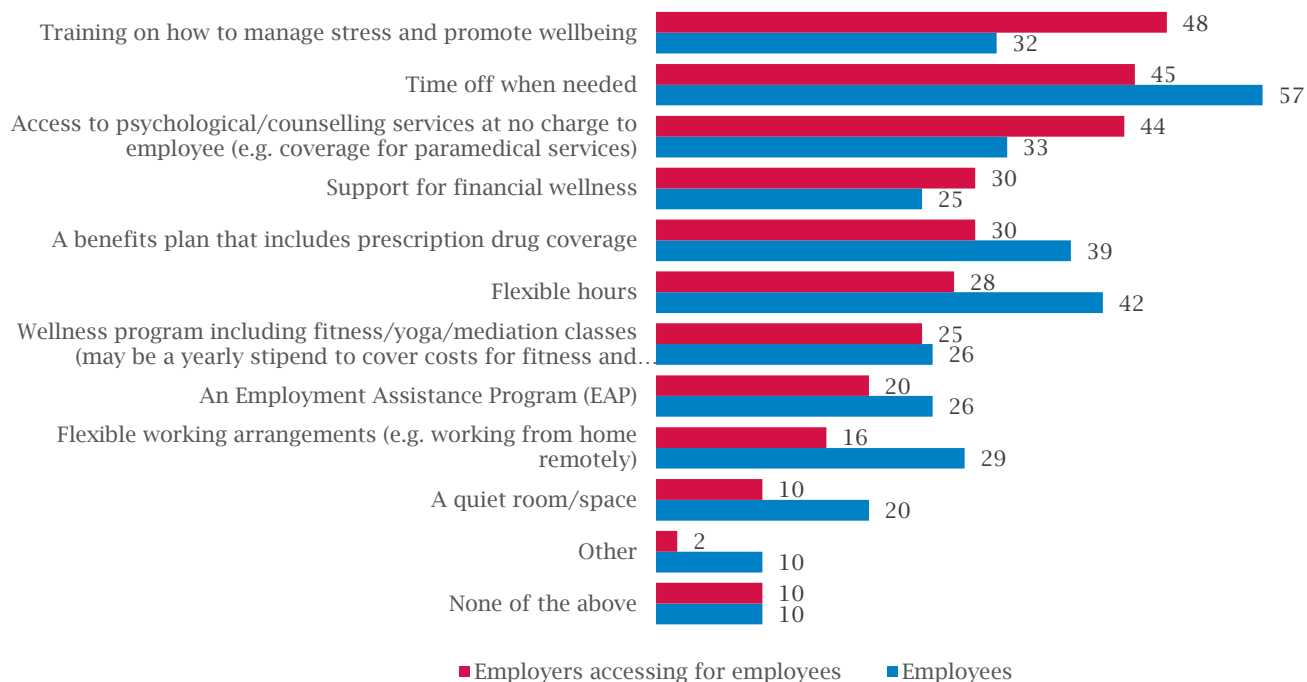
When business owners were presented with a list of different approaches that workplaces may offer to support the positive mental health and well-being of their employees, nearly half of respondents said that training on how to manage stress and promote well-being (48%), time off when needed (45%), and access to psychological/counselling services at no charge (44%) would be the most beneficial to a small business (Figure 16). On the other hand, employees felt that time off when needed (57%), flexible hours (42%) and a benefits plan that includes prescription drug coverage (39%) would be beneficial for supporting their mental health/well-being. One in three also see access to psychological/counselling services at no charge (33%), and training on how to manage stress/promote well-being (32%) as being beneficial.

¹⁹ MHCC, CCSA and Leger, Mental Health and Substance Use During COVID-19: 12-Month Leger Poll October 2020-2021: <https://mentalhealthcommission.ca/leger-poll-the-relationship-between-mental-health-and-substance-use-during-covid-19/> / https://mentalhealthcommission.ca/wp-content/uploads/2021/09/mhcc_ccsa_covid_leger_poll_eng.pdf

²⁰ CFIB, Your Voice Survey – February 2022

Figure 16

Which of the following, if any, would be beneficial to a business like yours? (% responses)



Source: CFIB, *Small Business Workplace Mental Health Employer Survey*, 1,318 responses, June 2018. Ipsos, *Small Business Workplace Mental Health Employee Survey*, 1,001 responses, June 2018.

Notes: Respondents were asked to select as many as apply.

Recommendations

The COVID-19 crisis has drawn workplace mental health issues into focus and has created an entirely new set of challenges ranging from the impact of remote work to managing COVID-19 related return-to-work protocols and dealing with sudden unforeseen financial disruptions and staffing issues. For small business owners dealing with overwhelming stress, the implications of dealing with their own mental health, and that of their employees, take on new dimensions.

While small businesses may not always have access to resources like those that are available to larger organizations, working for a small business does provide other advantages when dealing with workplace mental health and well-being. Being able to work as part of a close-knit team does allow for employers to get to know their employees on a more personal level, which can provide regular opportunities to communicate and assess when someone might be struggling. As a result, this report found that most small business owners seem to be comfortable discussing mental health issues in the workplace but feel that additional training and information would help them feel better prepared to deal with mental health issues that arise in the workplace.

Many small employers have limited resources and capacity to adequately address mental health issues in the workplace, but they are open to providing their employees with additional support. Ensuring that there are easily

available, cost-effective programs, services, or educational resources targeted at small firms will make it easier for them to effectively support their own mental health and that of their employees.

Creating a mentally healthy work environment makes good business sense as the costs of inaction can hit a small business especially hard with increased levels of absenteeism, reduced productivity, poor employee performance, high turnover, and compensation claims. A healthy work environment can also help to reduce the number of disability claims and keep insurance costs down. The benefits of a positive work environment are clear and improving workplace mental health is in everyone's interest so to help make that happen, government, employers, and employees all have a role to play.

Recommendations for small businesses owners

As a small business owner, having to address an employee's concerns or mental health conditions can sometimes feel like a daunting task and one that is outside their capabilities. While the causes of mental health challenges are not always workplace-related, not addressing mental health issues can have an impact on a small business's day-to-day operations. As every workplace is different, there isn't a one-size-fits-all solution to creating a mentally healthy workplace, but here are some recommendations and strategies CFIB can suggest to business owners.

Reduce the stigma around mental health issues in the workplace. As an employer, speak openly about mental health and well-being in your workplace, as this can encourage others to do the same. It's important to let employees know support is available and create an open dialogue around mental health conditions.

- **Make information available.** Just like you would provide your employees with general information and training on occupational health and safety practices, you should also provide your employees with information about mental health and well-being in the workplace. You can place some resources in lunch areas or on a notice board, so they can easily be accessed.
- **Create a mentally healthy business environment.** Encourage a workplace environment that is positive and respectful, so that employees feel comfortable sharing any concerning issues, and that focuses on the overall well-being of a workplace, and not just on the notion of an individual's mental health. Consider implementing a workplace wellness policy.
- **Recognize a mental health condition at an early stage.** As an employer you can develop basic skills to approach someone who might be dealing with mental health issues.
- **Address mental health issues early on.** Encourage your employees that might be dealing with a mental health condition to seek professional support.
- **Consider what you can do to support your employee struggling with a mental health issue.** This assistance could include some kind of flexible working arrangements. Taking time to think about this in advance will help you be prepared and comfortable in initiating these types of conversations.
- **Set good work/life boundaries example.** Sharing and sticking with boundaries on your time can encourage others to do the same.

Recommendations for employees:

Creating a mentally healthy workplace also includes active participation from employees. It is everyone's responsibility to create environments that are positive, where everyone feels supported, respected, and able to do their best work. Employees can play a key role in maintaining a healthy workplace by:

- **Getting to know your colleagues.** It can be hard to know when someone might be struggling with a mental health condition since symptoms can vary from person to person. However, it can help if you get to know your colleagues, as a change in someone's behaviour may be a sign of a mental health issue.
- **Have an open dialogue with your employer.** As an employee, you're not required to provide your employer with the specific details of your mental health condition, but openly communicating with your employer will help them better understand how they can best support you within the parameters of the business.
- **Developing a return-to-work plan should time off be required.** In collaboration with your employer, develop a feasible return to work plan. Small business owners understand the benefit of retaining their employees, so speak with your employer about your mental health condition, so you can work together to set realistic goals that can work for both of you.
- **Getting involved in brainstorming cost-effective initiatives that can easily be implemented** to create a healthy and positive workplace. It doesn't have to be too complicated, but simple things such as a team-building outing, lunchtime walking outside, promoting healthy eating, and pedometer challenges can help in boosting morale and creating a sense of inclusiveness.
- **Proactively seeking treatment.** Consider taking steps early on to minimize the effects of a mental health condition, by seeking professional treatment through community resources or even by speaking with a friend/family member.

Recommendations for government:

Over the years, many health and safety laws have been expanded to include some requirements to protect the mental health of employees in the workplace. Most recently, Canada's first Minister of Mental Health and Addiction was appointed to work with the provinces and territories to 'expand the delivery of high-quality, accessible, and free mental health services across Canada'.²¹ While we are pleased to see this level of attention to this important issue, more political leadership in mental health and wellness is needed.

We believe government at all levels can do more to support small businesses in managing mentally healthy workplaces without adding additional costs for small business owners. We recommend governments and the mental health sector:

- **Evaluate existing programs aimed to improve education, awareness, and training** ensuring investment in resources are efficient, evidence-based and making a positive impact on workplaces.
- **Reduce red tape and paperwork burden involved in accessing mental health support to enable timely access and** reduce wait times. This can be done by reducing the length of intake paperwork for both mental health professionals and Canadians.
- **Be proactive in promoting education and communication** between employers and employees about mental health conditions in the workplace. This can help raise awareness and encourage people to seek treatment early on.
 - Coordinate education and communication campaigns with business associations.

²¹ Prime Minister of Canada, Minister of Mental Health and Addictions and Associate Minister of Health – [Mandate Letter](#) December 16 2021

- **Improve access to online resources and tools targeted specifically for small businesses.** The tools and resources should be tailored to their different needs as small businesses are a diverse group and easily accessible across the country. Such as:
 - Expanding Wellness Together Canada’s government-funded virtual mental health services to include specific workplace mental health supports for small business owners.
- **Provide support** for businesses willing to accommodate return-to-work more quickly for employees following a leave of absence due to mental health conditions. Small businesses have been hit hard by labour shortages and gradual return to work programs could assist in getting workers back on the job more quickly.

Methodology

This report is a first for CFIB, which focuses mainly on small business owners who employ fewer than 20 employees. The CFIB workplace mental health research, with input from the Mental Health Commission of Canada (MHCC), included the following components:

- Qualitative discussion groups among employers and employees – two online discussion groups, one with owners/managers and a second with employees, to discuss perception, barriers, and opportunities to promote mental health initiatives among these audiences.
- Online survey of small business owners and employees – a short survey of owners/managers of small businesses and employees of small businesses, members recruited through CFIB, and employees recruited through the Ipsos panel.

The qualitative research occurred first with an ideation session held in summer 2017 which was led by Ipsos. The ideation exchange platform allowed for participants to provide both written and verbal feedback on various questions/themes relating to mental health and well-being in the workplace. The discussion guide was designed in cooperation with CFIB and MHCC. The purpose of these sessions was to explore overall attitudes, perceptions, and opinions regarding mental health in the workplace as well as more specific challenges facing small businesses. The ideation sessions were 90 minutes in duration and were limited to 10 participants for each group—in total three sessions were held with small business owners and three sessions were held with employees.

The quantitative research followed, in May 2018, which was informed by the initial qualitative research. Two online surveys were conducted: the Employee survey and Employer Survey. The surveys were only administered in English and consisted primarily of closed-ended questions. The employer survey was sent to CFIB members, whereas the employee survey was administered by Ipsos.

In 2020, as part of its ongoing qualitative research on the impacts of COVID-19 on small businesses, two survey questions were sent to CFIB members reflective of the original 2018 research. Further questions were added to surveys in 2020, 2021 and 2022 to the COVID-19 and Your Voice surveys to cover additional impacts and concerns around mental health as a result of the pandemic and to compare with data collected pre-pandemic (2018).

Resources

Thank you for taking the time to read our report. Below you will find resources for you and your employees. If you or someone you know is struggling with mental health, please take the time to reach out to one of the following

If you have any questions or personal concerns regarding your own mental health, please contact one of the following agencies for support:

- British Columbia: 1-310-6789
- Alberta: 1-877-303-2642 / www.mymentalhealth.ca
- Saskatchewan: <https://sk.211.ca/>
- Manitoba: 1-888-322-3019 / <http://klinik.mb.ca/crisis-support/>
- Ontario: 1-866-531-2600 / <https://www.connexontario.ca/>
- Quebec: 418-529-1899
- Nova Scotia: 1-888-429-8167
- New Brunswick: 1-800-667-5005
- PEI: 1-800-218-2885
- Newfoundland and Labrador: 1-888-737-4668
- Yukon: 1-800-661-0408 ext. 8346
- Northwest Territories: 1-800-661-0844
- Nunavut: 1-800-661-0844 or 1-800-265-3333

For more information and tools about how to address mental health and wellness in the workplace:

Government

- [Public Health Agency of Canada - Mental Health and wellness](#)
- [Canadian Centre for Occupational Health and Safety](#)

Mental Health Commission of Canada COVID-19 Resource Hub

- [Mental Health Continuum Self-Check](#)
- [Are you creating balance during a pandemic?](#)
- [Mini-guide to help employee's mental health through winter](#)
- [Building Mental Health into Operations During a Pandemic- Guidelines to support employers through COVID-19](#)
- [How Can I Help My Team?](#)
- [How Can I Help Someone in Mental Distress?](#)
- [Tips on talking to someone in crisis during COVID-19](#)